മിസ്റ്റർ പി. വി. സുബ്രഹ്മണ്യയ്യർ.— അല്ല.

മിസ്റ്റർ കെ. എസ്സ്. പണിക്കർ.— ഏതെല്ലാം ഇനങ്ങളാണെന്നറിഞ്ഞാൽ കൊള്ളാം.

മിസ്റ്റർ പി. വി. സുബ്രഹ്മണ്യയ്യർ.— ഗാൻറ മുതലായ പല ഇനങ്ങളാണ്.

Mr. T. K. Nayar—Under Panchayats, we find a large amount of about Rs. 28,000 lapsed.

Dr. E. S. R. Menon.—As far as Panchayats are concerned, we were not able to finish certain works this year.

Mr. T. K. Nayar.—What was the particular reasons for not taking up those works?

Dr. E. S. R. Menon.—One of the reason is delay in the land-acquisition.

Mr. President.—Payments for works which were not completed were postponed for the next year. The work might not have been paid during the year.

Mr. T. K. Nayar.— We complain only in cases where some amount is provided in the budget, for some work and that work was not taken up. The next year we do not see any provision for that work in the budget. And the complaint is the delay in land acquisition. That is the difficulty. There are ever so many instances like that.

Mr. P. V. Subramania Ayyar.—We make lump provision in the budget for the next year for such works.

Limited Companies—policy in taking shares.

119. Mr. E. Ikkanda Warriar:—Will the Government be pleased to state:—

(a) whether they follow any definite policy in taking shares in the Limited Companies;

(b) if so what it is;

(c) the names of Companies in which they have taken shares with the value of shares so taken?

Mr. P. V. Subramania Ayyar.—*(a)* and *(b)*. Shares are usually taken in Companies dealing with Industries or Agriculture with a view to aid them when they are calculated to improve the economic condition of the State.

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(c)	*Names of Companies.*	*Value of shares taken up.*	
1.	Vaniampara Rubber Co.	Rs.	7,500
2.	Cochin Tanneries Ltd.	Rs.	1,20,000
3.	Rameswaram Co operative Societies, Ramnad	Rs.	100
4.	The Pionier Ltd.	Rs.	5,000
5.	Cochin Textiles Ltd.	Rs.	1,50,000
6.	Cochin State Power and Light Corporation Ltd.	Rs.	20,000

Mr. E. Ikkanda Warriar.—Sir, is it a policy of the Government to take shares in all companies dealing with industries and agriculture in the State?

Mr. P. V. Subramania Ayyar.—Subject to the stipulations mentioned there which are calculated to improve the economic condition of the State.

Mr. E. Ikkanda Warriar.—Is it their policy to take shares in all Companies which ask aid with this object?

Mr. President.—Each case is decided on its own merit.

Mr. P. Govinda Menon.—Sir, which is this Pionier Ltd.?

Mr. P. V. Subramania Ayyar.—It is a newspaper company in Lahore.

Mr. P. Govinda Menon.—How will it advance the economic condition of the agriculturists of this State?

Mr. P. V. Subramania Ayyar.—This is a newspaper in which many of the Princes and the Chiefs are very much interested.

Mr. A. V. Moothedan.—Do we get any dividend?

Mr. P. V. Subramania Ayyar.—They have not declared any dividend.

Mr. V. K. Krishnankutty.—What is the share capital of the Company ?

Mr. P. V. Subramania Ayyar.—I want notice.

Mr. E. Ikkanda Warriar.—Have the companies 1 to 4 paid any dividend?

Mr. P. V. Subramania Ayyar.—They are not issuing dividends at present.

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Mr. E. Ikkanda Warriar.—Have they at any time issued dividends ?

Mr. P. V. Subramania Ayyar.—Yes. They have been issuing dividents.

Mr E. Ikkanda Warriar.—May I know which Company?

Mr. P. V. Subramania Ayyar.—The Vaniampara Rubber Co.

Mr. E. Ikkanda Warriar.—Has the Pionier Ltd., issued any dividend?

Mr. P. V. Subramania Ayyar.—The Pionier Ltd., is only a recent start.

Mr. E. Ikkanda Warriar.—Which year please?

Mr. P. V. Subramania Ayyar.—Not more than 18 months or so.

Mr. E. Ikkanda Warriar.—Is that also one of the Companies dealing with industries and agriculture and calculated to improve the economic condition of the State?

Mr. P. V. Subramania Ayyar.—I have already explained.

Mr. T. A. Ramachandra Ayyar.—What is the present condition of the Tanneries?

Mr. T. S. Narayana Ayyar.—The matter is before the Court. There has been a re-examination of the question regarding the Tanneries since April 1935 and a report has been called for. It was found that nothing was done except that Government obtained a decree for the amount they advanced on the mortgage. Orders were at once issued to execute the decree and reduce the property to possession. The properties have been taken into possession and the Superintendent of the Trades School has been appointed as Receiver. In the meanwhile, the Chief Engineer is carrying on negotiations with outside firms and merchants for terms to run this concern on commercial lines on a profitable basis.

Mr. E. Ikkanda Warriar.—In answer to my question, it was said that before taking shares by the Government in any of these companies, each case will be decided on its own merits. In deciding such cases does the Government consider the question of control over funds they invest in the Company before they take the shares?

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Mr. President.—That was one of the main subjects dealt with in the general discussion.

Mr. E. Ikkanda Warriar.—May I know what control they have over the Cochin Textiles Ltd.?

Mr. P. V. Subramania Ayyar.—There were various stipulations made before the Government took shares in it.

Mr. E. Ikkanda Warriar.—What are those stipulations?

Mr. P. V. Subramania Ayyar.—The appointment of directors, the rendering of accounts in respect of the expenditure already incurred and so on.

Mr. E. Ikkanda Warriar.—How many Directors the Government has a right of nomination in that Company?

Mr. President.—One Director.

Mr. E. Ikkanda Warriar.—May I know the total number of directors in that Compay?

Mr. T. S. Narayana Ayyar.—I think 6 or 7.

Mr. E. Ikkanda Warriar.—May I know the total capital of that Company?

Mr. President.—Six lakhs. There are other safeguards also.

Mr. E. Ikkanda Warriar.—In six lakhs worth of Shares in a Company, our Government takes Rs. 1,50,000 worth of shares. They have only to nominate one Director. May I take it that the Government expects to exercise direct control over the expenditure of that Company by that one Director?

Mr. P. V. Subramania Ayyar.—The directorate is not proportionate to the amount of the capital involved.

Mr. E. Ikkanda Warriar.—Do the Government propose to exercise their control by any other method than through that director?

Mr. P. V. Subramania Ayyar.—There are various ways in which control can be exercised. The appointment of a director is only one of the ways and the director is only to watch the interests of the State in all the affairs of the Company.

Mr. E. Ikkanda Warriar.—May I know what the other ways of control are?

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Mr. P. V. Subramania Ayyar.—I have already explained it.

Mr. E. Ikkanda Warriar.—With only one director in a directorate of six or seven the Government will be out-voted any time. A simple man like me can see that any scheme of the Government will not be passed unless it happens to the detriment of the Government. One vote against 7 cannot do anything. I wish to know whether they have taken any special care to see that such a thing does not happen?

Mr. P. V. Subramania Ayyar.—I have already explained that the director is only one of the ways in which control can be exercised. There are other ways also.

Mr. E. Ikkanda Warriar.—A poor man like me did not understand them.

Mr. P. V. Subramania Ayyar.—I want notice to detail all the stipulations made.

Mr. E. Ikkanda warriar.—Oh! you forgot it so soon. Is the Government aware that in Mysore and other places Government take steps to see that provision is made for more directors and for more control over these Companies?

Mr. President.—We are not aware of it.

Mr. E. Ikkanda Warriar.—How many Governmnet directors are there in the Cochin State Power & Light Corporation?

Mr. President.—One Director.

Mr. T. A. Ramachandra Ayyar.—Has the Government got any control over the Pionier, Ltd?.

Mr. P. V. Subramania Ayyar.—Like any other shareholder.

Mr. P. Govinda Menon.—Who were the promoters of the Pionier Ltd.?

Mr. P. V. Subramania Ayyar.—I do not remember the names.

Mr. K. M. Ibrahim.—How are we interested at all?

Mr. P. Govinda Menon.—We want some explanation about it.

Mr. V. K. Krishnankutty.—Do the Government expect any return from such investment?

Mr. P. V. Subramania Ayyar.—I will place the prospectus of the Company on the table.

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Mr. K. M. Kunhi Moideen.—Is it a political investment?

Mr. P. V. Subramania Ayyar—No.

Mr. E. Ikkanda Warriar.—Sir, who are the Managing Agents of the Cochin Textiles Ltd?

Mr. P. V. Subramania Ayyar.—Messrs. Ramal & Co.

Mr. E. Ikkanda Warriar.—May I know what their financial position is?

Mr. P. V. Subramania Ayyar.— The financial position of such companies and concerns cannot be answered in the open House.

Mr. E. Ikkanda Warriar—May I know, has not the public any right to know whether money is safely invested?

Mr. P. V. Subramania Ayyar.—Of-course, by private enquiry, you can ascertain it.

Mr. E. Ikkanda Warriar.—Is it a limited company or a private company?

Mr. President.—It is a private limited company.

Mr. E. Ikkanda Warriar—May I know the share-capital of that company?

Mr. P. V. Subramania Ayyar.—I have no information.

Mr. E. Ikkanda Warriar.—May I take that the Government had not enquired into the Capital of that Company?

Mr. President.—The share-capitals of such companies are only nominal.

Mr. E. Ikkanda Warriar.—May I know who are the share-holders of that company?

Mr. President.—If questions are asked separately, answers will be given.

Mr. E. Ikkanda Warriar.—Now that the question is asked, will the Government be pleased to give me the answer?

Mr. President.—The Share-holders of the Ramal & Co., are one Azhakappa Chettiar and his family. It is a family individual concern.

Mr. E. Ikkanda Warriar.—May I know what their previous experience is in the textile industry?

Mr. President.—Azhakappa Chettiar and his family are pioneers in the textile industry.

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Mr. E. Ikkanda Warriar.—What is his record? How long had he been in that line? I have not heard of him as a pioneer in the textile industry. I have heard of him only as a banker That is why I am asking.

Mr. P. V. Subramania Ayyar—I am not in a postion to give more information.

Mr. E. Ikkanda Warriar.—You do not know the details. Yet you have taken shares in that company.

Mr. P. V. Subramania Ayyar.—It is too much to know for one director or one share-holder about everything about a company. (Hear, hear).

Mr. E. Ikkanda Warriar.—Here it is not the case of one director. It is the case of a big share-holder taking one-fourth of the share-capital of the Company. Whether the Government has considered that aspect before they actually took up shares to the tune of a lakh and fifty thousand rupees?

Mr. President.— Government are convinced that the previous experience of Azhakappa Chettiar in the business world is sufficient to warrant their action in taking shares in this textile concern.

Mr. E. Ikkanda Warriar.—Will the Government give us some of those facts upon which Government came to the conclusion that the company will be able to go on with this concern?

Mr. President.—No more details can be added to what I have stated.

Mr. E. Ikkanda Warriar.—Thank you, Sir.

Loan raised by the Government— particulars regarding.

120. Mr. T. A. Ramachandra Ayyar.—Will the Government be pleased to state:—

1. the amount of loan raised by Government this year;
2. was the issue of the loan under-written by any one;
3. if so, by whom and what is the total commission paid to the under-writer;
4. were tenders called for under-writing;
5. if so, when and who were the tenderers;

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